



**COUNTY OF PLACER**  
**FACILITY SERVICES DEPARTMENT**

Phone 530-886-4900 Fax 530-889-6809  
www.placer.ca.gov

OK  
WJ  
JAMES DUFFEE, DIRECTOR  
MARY DIETRICH, ASSISTANT DIRECTOR  
ALBERT RICHIE, DEPUTY DIRECTOR  
WILL DICKINSON, DEPUTY DIRECTOR  
JOEL SWIFT, DEPUTY DIRECTOR

February 26, 2009

«OwnerName»  
«OwnerAddress1»  
«OwnerAddress2»  
«OwnerAddress3»

RE: **NOTICE OF PUBLIC HEARING TO CONSIDER SEWER USER FEE  
INCREASES, PLACER COUNTY SEWER MAINTENANCE DISTRICT 3**  
Assessor's Parcel Number: «APN\_APN»  
Situs Address: «SiteAddress»

Dear Customer:

Our records indicate that you are the owner of the property identified by the assessor's parcel number shown above. Sewer service to this parcel is provided by Placer County Sewer Maintenance District 3 (SMD 3). **On May 12, 2009 at 11:00 a.m., the Placer County Board of Supervisors will hold a public hearing to consider increases to the sewer user fees charged for SMD 3. The Board will also consider written protests concerning the increases. The hearing will take place in the Placer County Administrative Center, Board of Supervisors' Chambers, 175 Fulweiler Avenue, Auburn CA 95603.** You may attend the hearing in person or send written comments to the Board at the same address.

The current sewer service charge for a single unit of service is **\$99.43** per month. The District proposes to increase this fee to **\$105.40** per month effective July 1, 2009, and to **\$111.72** per month effective July 1, 2010. These increases are necessary because SMD 3 is small district that is faced with very difficult regulatory compliance challenges.

The wastewater treatment plant serving SMD 3, known as Plant 3, was built in 1961 and has used most of the same equipment and processes since 1963. In June of 2007, the Central Valley Regional Water Quality Control Board adopted a new permit for Plant 3, with many new effluent limitations that phase in over the 5 year life of the permit. The Board also adopted a Cease and Desist Order requiring compliance with nitrate effluent limitations by June 22, 2011.

The plan to meet regulatory requirements involves two steps. The first step is installation of the denitrification filter to resolve the Cease and Desist Order. However, this is only a short-term solution as Plant 3 is old, uses outdated technology, does not meet current treatment standards and is expensive to operate.

11476 C Avenue Auburn CA 95603  
Entrance at 2855 2nd Street

Administration – Building Maintenance – Capital Improvements – Museums – Parks  
Property Management – Environmental Engineering - Utilities

## Notification of Proposed Fee Increases

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The second step, which is essential to achieving long term compliance, would require decommissioning Plant 3 and constructing a large pump station and force main to connect with existing sewer trunk lines in SMD 2 (Granite Bay). Some upsizing of pipes in the SMD 2 collection system would also be necessary as part of this project to accommodate the additional flow from SMD 3. The estimated cost to complete the SMD 3 Regional Sewer Project and purchase capacity in the Roseville treatment plant is \$17 million.

Annual revenue for SMD 3 averages \$900,000 per year. Annual operating expenses are approximately \$1,050,000, leaving a funding shortfall of \$150,000 per year. The District has reserves of \$252,293. Over the last few years, SMD 3 has received \$1,065,000 in CSA Revolving Fund Loans to cover operational and capital costs. These loans are still outstanding.

In order to improve the financial solvency of SMD 3, staff intends to make the following recommendation to the Placer County Board of Supervisors on May 12, 2009:

1. Forgive existing debt totaling \$1,065,000 owed by SMD 3 to the CSA Revolving Fund.
2. Provide approximately \$950,000 in contributions from the General Fund to construct the denitrification filter.
3. Provide additional contributions from the General Fund to backfill operating shortfalls through July 1, 2013. Estimated cost - \$320,000.
4. Continue seeking grant funds to build the SMD 3 Regional Sewer Project.
5. Increase fees charged to sewer customers by 6% for each of the next two years to insure coverage of ongoing costs to the District. This last step is critical to making the entire financial package viable.

The recommended fees are the monthly rate for a single-family residence. Most customers are billed for this service on their annual property tax statement. If your parcel is used for purposes other than a single-family residence, you may be billed more or less than the listed amount. If you are unsure as to the number of units of service your parcel is billed for, please call the telephone number listed below for clarification.

If you object to the proposed increases in the monthly service charges described in this notice, you may file a written protest with the Clerk of the Board of Supervisors. Written protests can be mailed, presented at the public hearing, or personally delivered to: Clerk of the Board of Supervisors, County of Placer, 175 Fulweiler Avenue, CA 95603.

A valid protest must contain:

- A description of the property (such as an address and/or assessor's parcel number) that is sufficient to identify the property.
- Written evidence that the signer is the owner of the property, if the signer is different than the person to whom this notice is addressed.

Notification of Proposed Fee Increases

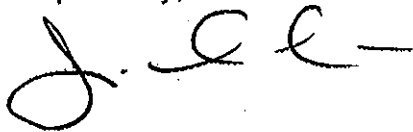
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If a majority of affected property owners file written protests, the proposed rate changes will not be imposed. State law provides that only the written protests of property owners may be considered to determine if a majority protest exists. No more than one protest per property may be submitted.

To obtain additional information regarding the proposed fee increase, you may attend the Horseshoe Bar Municipal Advisory Council meeting at 7:00 p.m. on March 17, 2009, in the Loomis Library, located at 6050 Library Drive, Loomis, California, or call (530) 889-6846. You may also visit our website at [www.placer.ca.gov/sewer](http://www.placer.ca.gov/sewer).

Respectfully,

A handwritten signature in black ink, appearing to read "J. Durfee", with a horizontal line extending from the end of the signature.

James Durfee, Director  
Facility Services Department

JD:WD:KK

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